

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re:

Genesis Global Holdco, LLC, *et al.*,¹

Debtors.

Chapter 11

Case No.: 23-10063 (SHL)

Jointly Administered

**DIRECT TESTIMONY DECLARATION OF ADAM W. VEROST IN SUPPORT OF
DIGITAL CURRENCY GROUP, INC.'S AND DCG INTERNATIONAL
INVESTMENTS LTD.'S OBJECTION AND RESERVATION OF RIGHTS TO
DEBTORS' MOTION FOR ENTRY OF AN ORDER APPROVING A
SETTLEMENT AGREEMENT BETWEEN THE DEBTORS AND THE NEW YORK
STATE OFFICE OF THE ATTORNEY GENERAL**

I, Adam W. Verost, declare, pursuant to 28 U.S.C. § 1746, under penalty of perjury that:

1. I submit this declaration (the “**Second Verost Declaration**”) to provide the testimony I would give at a hearing in support of Digital Currency Group, Inc.’s and DCG International Investments Ltd.’s (collectively, “**DCG**”) objection and reservation of rights (the “**Objection**”) to the *Debtors’ Motion for Entry of an Order Approving a Settlement Agreement between the Debtors and the New York State Office of the Attorney General* (Docket No. 1275).

2. I have previously submitted the *Declaration and Direct Testimony of Adam W. Verost in Support of DCG’s Objection to Confirmation of the Amended Joint Plan of Genesis Global Holdco, LLC, et al.*, (Docket No. 1328) (the “**First Verost Declaration**”), which among other things, adjusted the High and Low Case of the Debtors’ Final Recovery Model for digital

¹ The debtors in these chapter 11 cases, along with the last four digits of each Debtor’s tax identification number (or equivalent identifier), are: Genesis Global Holdco, LLC (8219); Genesis Global Capital, LLC (8564); and Genesis Asia Pacific Pte. Ltd. (2164R) (collectively, the “**Debtors**”). For the purpose of these chapter 11 cases, the service address for the Debtors is 175 Greenwich Street, Floor 38, New York, NY 10007.

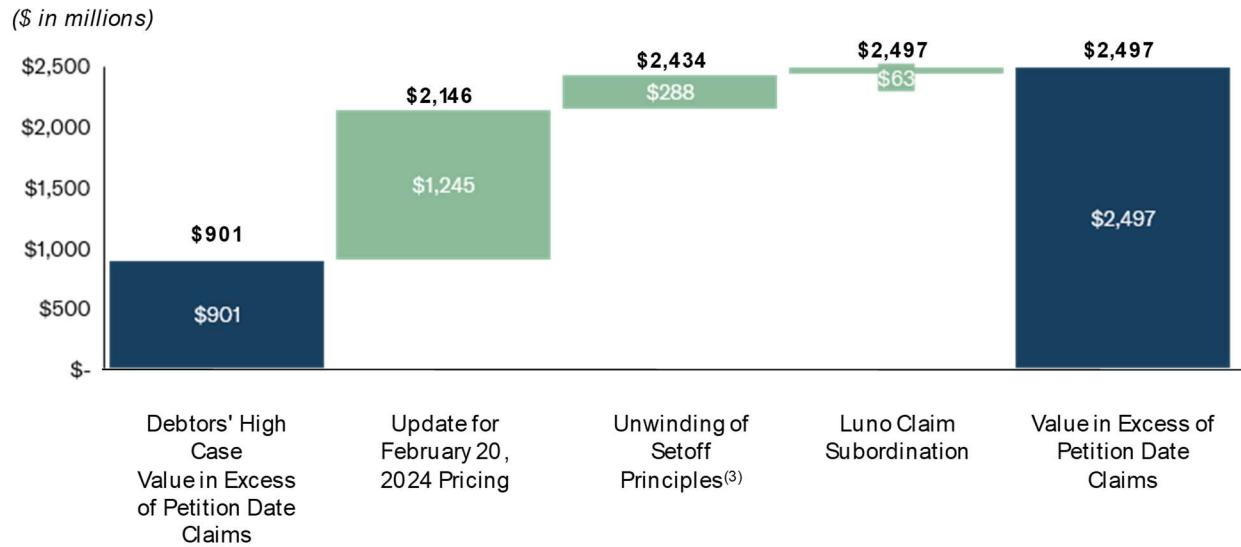
asset pricing as of January 31, 2024.²

3. I am submitting this Second Verost Declaration to update the High and Low Case of Debtors' Final Recovery Model for cryptocurrency pricing as of February 20, 2024. The statements in this Second Verost Declaration are, except as otherwise noted, based on information that is publicly available, provided by the Debtors or their advisors, or other interested parties, my personal knowledge, and Ducera's employees working directly with me or under my supervision or direction.

High and Low Case Recoveries

4. Excess Value in the High Case rises to \$2.497 billion from \$900.5 million if the adjustments to the High Case from the First Verost Declaration are updated to reflect cryptocurrency pricing as of February 20, 2024. Creditor recovery on Petition Date Claims based on the Distribution Principles increases to 186% from 131%, in the High Case.

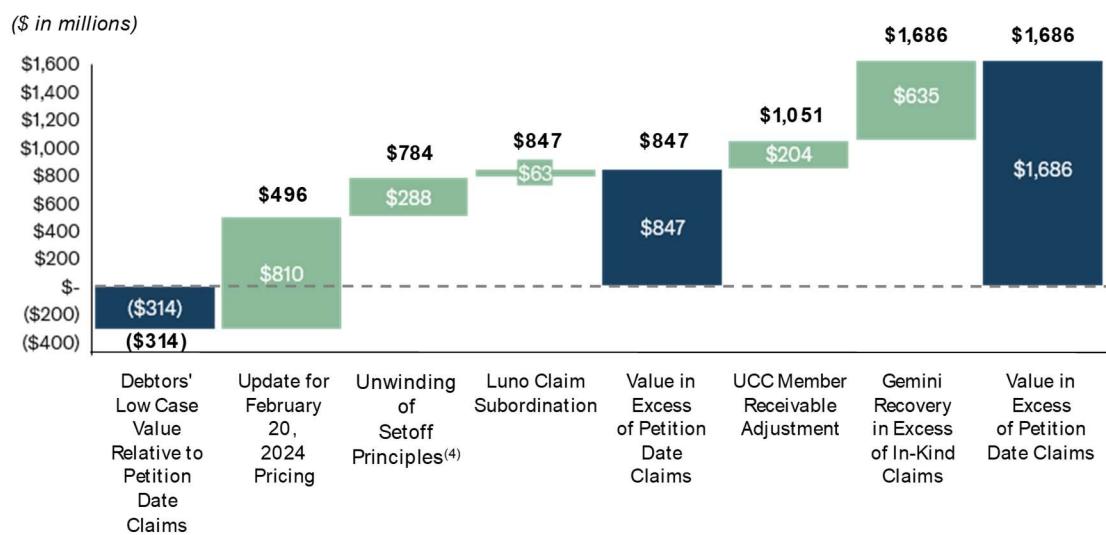
5. In particular, I update paragraphs 15-19 of the First Verost Declaration for February 20, 2024 cryptocurrency prices as follows:



² Capitalized terms used herein but otherwise not defined shall have the meanings given to such terms in the First Verost Declaration or the Objection, as applicable.

6. Excess Value in the Low Case rises to \$1.686 billion from negative \$314 million if the adjustments to the Low Case from the First Verost Declaration are updated to reflect cryptocurrency pricing as of February 20, 2024. Creditor recovery on Petition Date Claims based on the Distribution Principles increases to 145% from 91.6%, in the Low Case.

7. In particular, I update paragraphs 22-25 from the First Verost Declaration for February 20, 2024 cryptocurrency prices as follows:



* * *

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

³ Reflects Debtors' estimated impact of using December 31, 2023 pricing. Impact of additional update to February 20, 2024 pricing included in "Update for February 20, 2024 Pricing" column.

⁴ Reflects Debtors' estimated impact of using December 31, 2023 pricing. Impact of additional update to February 20, 2024 pricing included in "Update for February 20, 2024 Pricing" column.

Dated: February 21, 2024
New York, New York

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